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Retailers are questioning Instacart's value

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Grocery delivery took a momentous step forward in 2020, and as retailers explore new services and delivery methods — including drones and autonomous vehicles — they're also reevaluating their relationship with delivery heavyweight Instacart, according to the [Wall Street Journal](#).

While Instacart has partnered with more than 500 national, regional and local retailers to deliver from nearly 40,000 stores across more than 5,500 cities in North America, many supermarkets are concerned about the amount of money they're able to make through the delivery service, pushing at least one chain to raise prices to compensate for delivery related fees, according to the WSJ.

Instacart's technology powers the ecommerce platforms of some of the world's biggest retail players and gives retailers the opportunity to jump into delivery without having to worry about creating the level of infrastructure an in-house service would require; however, that quick setup certainly comes at a price.

“We don't think we make money from an Instacart order,” Mark Skogen, CEO of Skogen's Foodliner Inc., which operates more than 30 stores under the Festival Foods brand, said in the WSJ article. However, his company continues to partner with Instacart because it increases overall revenue.

Click [here](#) to read the full WSJ article.

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